

Members

Rep. Greg Porter, Chairperson  
Rep. Paul Robertson  
Rep. Mara Candelaria-Reardon  
Rep. Robert Behning  
Rep. Timothy Harris  
Rep. Jeff Thompson  
Sen. Teresa Lubbers, Vice-Chairperson  
Sen. Ron Alting  
Sen. Jeff Drozda  
Sen. Richard Young  
Sen. Connie Sipes  
Sen. Timothy Skinner



## INTERIM COMMITTEE ON EDUCATION MATTERS

LSA Staff:

Chuck Mayfield, Fiscal Analyst for the Committee  
David Lusan, Fiscal Analyst for the Committee  
Irma Reinumagi, Attorney for the Committee

Authority: Legislative Council Resolution 07-01

**Legislative Services Agency**  
**200 West Washington Street, Suite 301**  
**Indianapolis, Indiana 46204-2789**  
**Tel: (317) 233-0696 Fax: (317) 232-2554**

### MEETING MINUTES<sup>1</sup>

**Meeting Date:** August 2, 2007  
**Meeting Time:** 10:00 A.M.  
**Meeting Place:** State House, 200 W. Washington St.,  
Room 233  
**Meeting City:** Indianapolis, Indiana  
**Meeting Number:** 1

**Members Present:** Rep. Greg Porter, Chairperson; Rep. Paul Robertson; Rep. Mara Candelaria-Reardon; Rep. Robert Behning; Rep. Timothy Harris; Rep. Jeff Thompson; Sen. Teresa Lubbers, Vice-Chairperson; Sen. Ron Alting; Sen. Jeff Drozda; Sen. Timothy Skinner.

**Members Absent:** Sen. Connie Sipes; Sen. Richard Young.

Chairman Porter convened the meeting at 10:11 A.M., reviewed the charges of the committee, and had the members of the committee introduce themselves.

The chairman called on Stan Jones, Commissioner of the Higher Education Commission, to discuss higher education in Indiana. Mr. Jones presented a slide presentation, Exhibit A, entitled "Critical Issues in Higher Education."

**College Participation:** For each 100 Indiana ninth grade students, about 70 will graduate from high school, 41 will enter college, 30 will enroll their sophomore year, and 24 will graduate from college between the ages of 25 and 44 with a bachelor's degree. While Indiana has done well in getting high school graduates to attend college, the percentage of the population 25 and older participating in postsecondary education is only 3.6%, less than several other states. Participation in community college has grown significantly over the last six years, growing from about 6,000 students in 2000 to 29,636 in 2005.

**College Preparation:** According to the Pilot College Readiness Indicator tests, 57% of students completing a high school Algebra II course were not proficient in Algebra I. Mr. Jones also said

---

<sup>1</sup> Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

about 26% of entering college students had to take at least one remedial course in the 2005-06 school year.

*Transfer and Articulation:* About 4% of Ivy Tech Community College students and 16% of Vincennes University students transfer to a public four-year college. Mr. Jones also presented a list of courses that are approved or in the process of being approved as part of the core transfer library. The library has 48 courses that can be transferred directly from one university to another.

*College Completion:* Indiana ranks 15<sup>th</sup> nationally in the number of bachelor degrees awarded as a percentage of high school graduates six years earlier. The percentage of students graduating from Indiana public colleges within six years varies from 12% to 72%.

*21<sup>st</sup> Century Scholars:* 21<sup>st</sup> Century Scholars are more likely to go to college than their peers and more likely to graduate than their low-income peers.

*Affordability:* Over the last 10 years, tuition and fees to a four-year public college have increased by about 7.9% annually and the percentage of higher education expenditures funded by families has increased from about 40% to 50%. About 4% of the expenditures are funded by state student assistance, but the state's scholarship system is one of the best in the country.

*Research:* Indiana colleges, like most universities, have increased the funding they receive for research. Indiana University's research expenditure has increased from \$90 M in 2000 to \$142 M in 2004, and Purdue's expenditures increased from \$39.8 M to \$67.5 M over the same period.

Mr. Jones also discussed the brain drain in Indiana and the need to change from blue collar jobs to professional and management jobs for the state.

Mr. Jones discussed the recommendations of the Spelling Report: Charting the Future of U.S. Higher Education, Exhibit B. The recommendations of the commission include the following:

- Expand access and success in higher education by improving student preparation and persistence, addressing nonacademic barriers, and providing significant increases in aid to low-income students.
- Restructure the entire student financial aid system and add new incentives to improve the measurement and management of postsecondary education.
- Create a robust culture of accountability and transparency in higher education.
- Embrace a culture of continuous innovation and quality improvement by developing new pedagogies, curricula, and technologies to improve learning.
- Develop a national strategy for lifelong learning that helps people understand the importance of preparing and participating in higher education throughout their lives.
- Increase federal investment in areas critical to our nation's global competitiveness and a renewed commitment to attract the best and brightest into higher education.

The committee asked Mr. Jones how many 1<sup>st</sup> and 2<sup>nd</sup> home mortgages are due to parent borrowing to finance children's higher education. Mr. Jones responded that the number of students having to borrow and the amount borrowed to finance higher education has increased dramatically.

The committee asked if states were developing performance measures. Currently, the U.S. News and World Report has a publication that many parents use in evaluating schools. Mr. Jones said that more work needs to be done in that area.

The committee also asked about students being prepared for college and some discussion of social promotion by schools.

Dennis Oberfell, Director of the State Student Assistance Commission (SASCI), commented on the Spelling report. He said the report is a warning for higher education like the Nation at Risk report was for K-12 education. Mr. Oberfell stated that 90% of jobs in the future will require some college education. The current system of financial aid is not meeting the need for most students. The federal Pell grants are only about 40% of average student college costs and were supposed to be 70%. Funding for Pell grants should be increased, but the increase should not be funded by the elimination of other programs to serve needy students.

Mr. Oberfell also mentioned how successful the state has been in obtaining the federal Gear Up grant to enroll and provide assistance to Twenty-First Century Scholars. Indiana was one of five states to apply for the grant 5 years ago.

The simplification of the Free Application for Federal Student Aid was recommended by the report. Six years ago the application was simplified and now is being discussed again. Mr. Oberfell voiced concern that simplification could eliminate some questions Indiana needs and also could increase the cost of scholarships. Any changes to the form could have serious implications for the state.

Mr. Oberfell suggested that to aid students in planning for financing college the SSACI grants should perhaps be set at a dollar amount and then indexed to increase with inflation. Currently, the amount of the grant a student receives depends on the number of students eligible for the grant and the appropriation by the legislature. He also stated that the aid to part-time students could also be higher to promote life-long learning and that two-year colleges need to be more affordable. He also stated that the "10-year rule" may impede a student from getting a degree. A student is not eligible for student assistance 10 years after they first apply for aid. Mr. Oberfell estimated the maximum cost to eliminate the 10-year rule would be about \$8 M but could be substantially less.

Dan Clark from the Indiana State Teachers Association offered comments on the presentations. He said that graduation rates are a problem at high school and college and he offered the following suggestions:

- The state needs better preparation of high school students.
- There should be an entry standard for college, maybe some test given in the 11<sup>th</sup> grade.
- The state should strengthen the current dual credit system of courses.
- The state should look at both K-12 and higher education instruction.

Charlene Alexander, School Counselors Association, recommended that the state look into providing a guidance curriculum, training programs for counselors, and career peering and assessment for students.

J.T. Forbes, Indiana University, said that degree completion is important in developing a good workforce, and the incentive the legislature placed in the budget to reward degree completion was a good provision in the budget. He stated that accountability measurements at college are difficult. Since schools provide degrees in many areas, it is difficult to measure success of the program. For example, the required knowledge for a medical student would be very different from a music student.

There being no further business to conduct, the chairman scheduled the next meeting for August 15 at 10:30 A.M.

The meeting was adjourned at 12:25 P.M.